

Earn \$240 to \$480 every week

in the comfort of your own home.

No experience or skills required. Guaranteed!

For complete details, send \$29.95 and a stamped, self-addressed envelope to . . .

To many people who are housebound, out of work, or in need of extra income to make ends meet, the appeal of work-at-home advertisements seems too good to pass up. Ads for envelope stuffing, making craft items, and mail order business schemes promise that consumers will net hundreds of dollars a month on an investment of just a few dollars. But complaints by consumers show that the end result is usually the same—consumers lose their money.

Only the promoter gets rich

The Bureau of Consumer Protection receives numerous calls and complaints each year from consumers who are thinking of getting involved in work-at-home plans or who have already paid in and lost their money. Many don't want to hear any bad news because they believe that no matter how bad other plans are, the one they're interested in is the one that will work.

How these schemes work

To find out how to get involved in a work-at-home promotion, you almost always

have to send money. These small payments from consumers are the heart of the work-at-home schemes. Dollars sent to companies for further information or a training manual, by hundreds of interested consumers, insure that the promoter will make a good profit. With many of the schemes, you end up receiving worthless information or a copy of the same advertisement you responded to with instructions on how to use it to con other people out of money.

Common schemes

◆ **Envelope stuffing**

Stuffing and addressing envelopes is one of the most common work-at-home plans. One promotion promised home workers they could earn up to \$250 a week using their home computers for receiving and processing envelopes. Many other envelope stuffing plans make the same kind of promise.

Usually all you get for your money is a list of companies that are supposedly interested in having you stuff or address envelopes. You must contact each of the companies at your own expense and await a possible reply. More often than not, the companies on the list ask for additional money before sending details, or claim to never hire outside help. The details usually consist of nothing more than another list. It's not uncommon to find that those listed

are out of business. If the company is interested—and the chance is slim—you may have to buy your own envelopes and stamps and perhaps work on a commission basis. The magic commission and income figures rarely materialize.

◆ **Homemade craft items**

Promotions for homemade craft items also promise big profits for a small investment of time and money. Usually, you are asked to send money in to the company for craft kits you assemble at home. The company agrees ahead of time to buy back the finished product from you at an attractive price. But regardless of how high the quality of your work is, the company often judges your goods inferior and returns them to you. You are stuck with the goods—they have your money.

◆ **Medical billing**

Processing medical insurance claims may seem like a great opportunity if you already have a computer at home. Con artists claim that you can make a lot of money because the industry is in need of your services. You may be required to buy expensive software programs and training. In general, consumers find out not only that there is no market for their services, but also that the training and software were useless and superficial because they can't make any money.

Protect yourself

Although many work-at-home schemes may violate state consumer fraud and U.S. postal laws, successful prosecutions are extremely difficult and costly. As a result, prosecutions are generally directed at high volume promoters, using multiple business names and/or numerous mail drops throughout the country. Even in these cases, restitution or refunds for consumers are rare.

Also, it is often difficult to verify representations made in the promoter's literature or statement about such things as income representations, sources of mailing lists, and lists of potential work-at-home employers. And don't be taken in by worthless testimonials from people who claim they made lots of money on work-at-home plans.

- ✓ **Watch out for vague ads** with no company name or address and only a telephone number. Be cautious of income promises that sound too good to be true (they probably are!).
- ✓ **Check it out.** Check out the company's references with the Better Business Bureau [Toll free in WI: (800) 273-1002] and with the Bureau of Consumer Protection.
- ✓ **Get all promises in writing.** Demand to see the company's claims in writing.
- ✓ **Don't give out your personal information** such as Social Security Number.
- ✓ **Never send cash through the mail.**

Where to Complain

If you think you've been a victim of a work-at-home scheme, contact the company and ask for your money back. Let the company know you plan to notify the Bureau of Consumer Protection about your experience. Keep a record of your conversations and correspondence. If you send documents to the company, make sure you send copies, **not originals**. Send correspondence by certified mail and request a return receipt to document that the company received it.

If you can't resolve the dispute with the company, several organizations may be able to help you:

- ◆ Your local Postmaster. The U.S. Postal Service investigates fraudulent mail practices.
- ◆ The Bureau of Consumer Protection:

Toll free in WI: (800) 422-7128

2811 Agriculture Drive
PO Box 8911
Madison WI 53708-8911
(608) 224-4976

FAX: (608) 224-4939

TTY: (608) 224-5058

E-mail: datcphotline@datcp.state.wi.us

Web Site: www.datcp.state.wi.us

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Work-at-home schemes

Looking for an opportunity to make some extra money from home?

Know how to protect yourself.

Find out how work-at-home schemes work and how to obtain help if you become a victim.



CONSUMER PROTECTION WISCONSIN DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION
